GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2739
ANSWERED ON:01.08.2017
Sale of Drugs at Higher Price
Kushwaha Shri Ram Kumar Sharma

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether several pharmaceutical companies have been found selling drugs at higher price than the price fixed by the Government in the country;

(b) if so, the facts in this regard and the names of the pharmaceutical companies which have sold the drugs at higher price than the fixed prices; and

(c) whether the Government has taken action against these pharmaceutical companies and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS; MINISTRY OF SHIPPING AND MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA)

(a) to (c): Yes, Madam. Since the inception of National Pharmaceutical Pricing Authority (NPPA) in 1997, 1664 demand notices (including suo-moto deposits) have been issued to pharmaceutical companies for their having overcharged patients on the sale of formulations at prices above the ceiling prices notified by NPPA. Demand Notices have been issued for an amount of Rs. 5777.80 crore. Amount to the tune of Rs. 778.67 crore has been deposited by the companies to the Government. An amount of Rs. 3453.82 crore is under litigation. The demand notices are issued under various provisions of Drugs (Prices Control) Order, 1995 (DPCO, 1995) and Drugs (Prices Control) Order, 2013 (DPCO, 2013) read with Section 7A of the Essential Commodities Act, 1955. The Detailed list of overcharging cases where demand notices have been issued (as on 30.06.2017) is available on NPPA website www.nppa.nic.in.

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